

UNIVERSITAS INTERNASIONAL BATAM

*Undergraduate Thesis
Accounting Study Program
Odd Semester 2016/2017*

ANALYSIS THE EFFECT OF CORPORATE GOVERNANCE AND FIRM CHARACTERISTICS ON FIRM PERFORMANCE OF LISTED COMPANIES IN INDONESIA STOCK EXCHANGE

NPM: 1342082
William

ABSTRACT

This study was conducted to analyze the effect of corporate governance and company characteristics on company performance on firms listed in Indonesia Stock Exchange (BEI). The variables used in this study are dependent variables in the form of company performance, independent variables in the form of board size, board independence, frequency of board meetings, director ownership, government ownership, institutional ownership, concentration ownership, audit committee size, independent audit committee, variable control in the form of company age, company size, leverage, sales growth. The study used the financial statements of firms listed on the Indonesia Stock Exchange period 2011 to 2015. Data collection techniques used are by way of purposive sampling and as many as 285 companies or 1.389 observation data used in this study. This study used panel regression method to analyze the influence of two or more independent variables to one dependent variable measured by ratio scale. Data is analyzed using EViews program version 8.

The output of this study indicate that the size of the board of directors and government ownership has a significant positive effect on company performance, while directors outside the board have a significant negative effect on company performance. The results of this study also indicate that the frequency of board meetings, ownership of the board of directors, institutional ownership, ownership of concentration, size of the audit committee and independent audit committee do not have a significant influence on the company's performance.

Keywords: *Firm performance, ownership structure, board characteristics, corporate governance*